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No. 87-1736

In the Supreme Court of the United States

OCTOBER TERM, 1987

MOLINS PLC, PETITIONER

v.

DONALD J. QUIGG, ASSISTANT SECRETARY OF COMMERCE

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

MEMORANDUM FOR THE RESPONDENT IN OPPOSITION

CHARLES FRIED
Solicitor General
Department of Justice
Washington, D.C. 20530
(202) 633-2217

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Petitioner contends that the court of appeals erred in dismissing as not ripe for review its challenge to the First Action Final Rejection (FAFR) policy of the United States Patent and Trademark Office (PTO).

1. On September 7, 1984, petitioner filed a patent application, entitled " 'Conveyor System for Rod-Like Articles,' " which was the second continuation of an earlier application relating to the same invention (Pet. App. 1B-2B). On January 7, 1985, the PTO, following its FAFR policy,[1] entered a final rejection of petitioner's entire application (*id.* at 2B).

[1] Under the FAFR policy, the first office action on a patent application will constitute a final rejection

> in those situations where (1) the new application is a continuing application of, or a substitute for, an earlier application, and (2) all claims of the new application (a) are drawn to the same invention claimed in the earlier application, and (b) would have been

Petitioner tried unsuccessfully to have the PTO rescind its rejection on the ground that the FAFR policy conflicted with 35 U.S.C. 132, which provides that "[w]henever * * * any claim for a patent is rejected, * * * if * * * the applicant persists in his claim for a patent, * * * the application shall be reexamined." Petitioner also attempted to file with the PTO, on July 1, 1985, an amendment to its application modifying its claims. The PTO, however, refused to enter the July 1, 1985, amendment. Pet. App. 3B-5B.

2. Petitioner appealed the PTO's rejection of its application to the Board of Patent Appeals and Interferences (Board). Petitioner also filed petitions for writs of mandamus in the Untied States District Court for the District of Columbia seeking to compel respondent Assistant Secretary of Commerce, as the head of the PTO, to enter petitioner's July 1, 1985, amendment and to rescind the FAFR policy. Pet. App. 4A, 6B-7B.

The district court stayed its proceeding pending the Board's decision. On July 30, 1986, the Board, among other things, entered a new ground for rejection of certain of petitioner's claims. As a result of this decision, petitioner was notified that petitioner, under 37 C.F.R. 1.196(b), could resubmit the July 1, 1985, amendment because of the new ground for rejection. On September 2, 1986, petitioner resubmitted the July 1, 1985, amendment; the PTO ultimately entered the amendment on October 28, 1986. Pet. App. 4A-5A, 8B-10B.

The district court thereafter dismissed the petitions for writs of mandamus, holding that the PTO's entry of the

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properly finally rejected on the grounds or art of record in the next Office action if they had been entered in the earlier application.

Manual of Patent Examining Procedure § 706.07(b), at 700-21 (5th ed. rev. 1987).

amendment on September 2, 1986 "render[ed] moot any possible justiciable claim by [petitioner] for nonentry of its July 1, 1985, Amendment" (Pet. App. 14B).

3. The United States Court of Appeals for the Federal Circuit affirmed, holding that petitioner's challenge to the FAFR policy was not ripe for review (Pet. App. 7A-16A).[2] Applying the case law of the District of Columbia Circuit,[3] the court concluded that "appraisal of [the FAFR] policy would benefit from review in a more concrete setting because it is inappropriate to review such a longstanding agency practice, absent a specific application of that practice, the first time it has been challenged" (*id.* at 11A). The court found that postponing review would not unfairly prejudice petitioner because petitioner could file another petition. Moreover, petitioner had not shown "that the FAFR policy [had] an immediate impact on it in conducting its day-to-day affairs" (*id.* at 14A). The court thus concluded that the "countervailing judicial or administrative interests" in reviewing a challenge to the FAFR policy in a concrete setting were "sufficient when balanced against the hardship to [petitioner]" to hold that the case was not ripe for review (*id.* at 15A-16A).

4. The decision of the court of appeals is correct. It does not conflict with any decision of this Court or of any other court of appeals. Accordingly, review by this Court is not warranted.

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[2] Petitioner conceded before the court of appeals that the PTO's entering of its amendment on September 2, 1986, had rendered moot its request for entry of the July 1, 1985, amendment (Pet. App. 7A).

[3] Following its precedents, the court applied "the law of that circuit to which district court appeals normally lie, unless the issue pertain[ed] to or [was] unique to patent law" (Pet. App. 5A-6A). The court applied the "ripeness doctrine" of the District of Columbia Circuit because that doctrine was dispositive of the appeal and did not pertain to patent law issues (*id.* at 6A).

a. Petitioner contends (Pet. 7-18) that the court of appeals' policy of applying the law of that circuit to which district court appeals normally lie, unless the issue on appeal pertains to patent law, improperly encourages the forum shopping Congress sought to eliminate by enacting 28 U.S.C. 1295(a)(1). Petitioner did not raise this issue before the court of appeals. Accordingly, this Court need not consider this claim. *Adickes* v. *S. H. Kress & Co.*, 398 U.S. 144, 147 n.2 (1970). Moreover, the court of appeals' choice-of-law rule makes sense because it minimizes the confusion and conflict which would result if district courts were required in patent cases to familiarize themselves with a separate non-patent law of the Federal Circuit in addition to the law of the regional courts of appeals, which review most of their decisions. See, *e.g.*, *Atari, Inc.* v. *JS & A Group, Inc.*, 747 F.2d 1422, 1438-1440 (Fed. Cir. 1984) (en banc).[4]

b. Petitioner also contends (Pet. 18-53) that the court of appeals improperly dismissed its challenge to the FAFR policy as not ripe for review. Petitioner's claim is meritless. The PTO's entry of petitioner's patent application amendment left petitioner, in the context of this lawsuit, with merely an abstract disagreement over the FAFR policy, the effects of which petitioner no longer felt "in a concrete way." *Abbott Laboratories* v. *Gardner*, 387 U.S. 136, 148 (1967). Review was particularly inappropriate at this stage given undefined terms within the policy itself.[5] Thus, a reviewing court would benefit from

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[4] In any event, petitioner does not suggest that any other court of appeals' ripeness decisions would have produced a different result. For this reason as well, this is not an appropriate case to review the Federal Circuit's choice-of-law rule.

[5] For example, the FAFR policy applies only to those continuation applications that are "drawn to" the same invention described by

having a specific application of the policy, not only for focusing the issue on appeal, but also for providing an authoritative interpretation of the regulation. Cf. *Young* v. *Community Nutrition Inst.*, 476 U.S. 974, 980-981 (1986). Finally, given the lack of hardship to petitioner if review were postponed, the court of appeals correctly treated petitioner's claim as not ripe because "the impact of [the FAFR policy would not] be felt immediately by [petitioner] in conducting [its] day-to-day affairs." *Toilet Goods Ass'n* v. *Gardner*, 387 U.S. 158, 164 (1967).

It is therefore respectfully submitted that the petition for a writ of certiorari should be denied.

CHARLES FRIED
Solicitor General

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earlier submissions. *Manual of Patent Examination Procedure*, *supra*, § 706.07(b), at 700-21. The policy contains no written definition of "drawn to" (*ibid.*).

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